

State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

\$ 5/025/006

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SITE INSPECTION REPORT

Date of Inspection: April 2, 1999

Persons Present: William M. Stokes, Joseph M. Caruso, Shawn Harris

Conditions: Cold, High Winds, Overcast with Light Snow

Lands Inspected: ML-41355, Lots 1-9, 14-16, E½NW¼, NE¼SW¼, (W½) Section 31, T. 40 S., R. 7 W., ML 26996, NE¼NE¼, ML 19890, E½NW¼ & ML 27681 NW¼NW¼, Section 36, T.

40 S., R. 8 W. (See Accompanying Ownership Map)

The purpose of the inspection was to document mining activity since the last site inspection of June 19, 1997. See accompanying map showing areas of surface disturbance.

The following is a brief update of surface conditions at the time of this inspection. Areas referenced are the same areas as reported in Mr. Tom Munson's (DOGM) report of November 22, 1995, which addressed surface conditions at the time of his November 21, 1995 surface examination. See attached map for locations of each area. An attempt was made to photograph each area from the same location a shown in my May 10, 1996, surface examination report.

Area 1: There has been no additional reclamation and no new excavations at this site. Area 1 is on lands held under lease ML 41355 by Olga Berry and operated by Robert Harris. Most of this area had been graded and re-seeded in 1996 and some native vegetation has naturally invaded the area. At the time of this inspection new spring growth had just begun to emerge so it was difficult to estimate the amount of cover expected for the summer of 1999. In Area 1 there remains a small, water filled pit which was left open for future excavations. This pit is approximately 135 feet long and 60 feet wide and encompasses approximately .18 acres. Compare photo # 1 of this report with photo # 1 of the May 10, 1996 report.

Area 2: As with Area # 1 most of Area 2 had been re-contoured and re-seeded in 1996. There also remains a water filled pit which is approximately 117 feet long and 135 feet wide, .36 acres, which was left open for future excavation. Area 2 also falls within the boundaries of lease ML 41355, held by Olga Berry. Compare photo # 2 of this report with photo # 2 of the May 10, 1996 report.

Area 3: In the last year there has been significant reworking and expansion of the excavation in Area 3. The old excavation that existed on the site has been deepened and expanded to the south. Originally this area was the site past mining activity that encompassed 3.27 acres of unreclaimed land (See Munson Report, November 22, 1995). The majority of the recent excavation lies within the original unreclaimed area of 3.27 acres but there has been an expansion of the excavation to the south and to the east, against the hillside, that increased the disturbance by

approximately .45 acres. Area 3 also lies within the lands encompassed by the Olga Berry lease ML 41355. Total disturbance in Area 3 is now 3.72 acres. Compare photo # 3 of this report with photo # 3 of the May 10, 1996 report. See photograph 3, 4, & 5.

Area 4: Area 4 which is located on lands leased to Olga Berry under lease ML 19890. This site was reopened and excavated in the summer of 1997 by Robert Harris who is the designated operator for Olga Berry. The condition of this site in 1996 is shown in photo # 6 of the May 10, 1996 surface examination report. After the reentry and excavation in the summer of 1997 Mr. Harris graded and seeded the surrounding waste piles and left a shallow pit to allow for future mining. The area of disturbance for Area 4 remains at .2 acres as it was in 1996. See photograph # 6.

Area 5: Area 5 is adjacent to Federal, BLM land on which Mr. Rex Harris conducted mining in 1995. Mr. Harris removed nodules along the boundary between trust lands in section 36 and BLM land in section 25. In 1996 Mr. Harris regraded and seeded the disturbed lands which encompassed approximately .18 acres. At the time of this inspection it appeared that there had been no new disturbances in Area 5. See photograph # 7.

Area 6: Joseph M. (Mike) Caruso who holds a 50% interest in lease ML 26996, which encompasses the NE¼NE¼ of section 36, was conducting an excavation on the lease lands near the northeast corner of section 36 at the time of this inspection. The disturbance encompasses an area of approximately .10 acre. See photo #8 of this report. There is no record that Mr. Caruso informed the Trust Lands Administration or the Division of Oil, Gas and Mining that he was going to commence with this excavation. See photograph #8.

Area 7: Apparently in the summer of 1998 a significant area of disturbance was created in the W½NE¼NW¼ of section 36. The disturbed lands are part of lease ML 19890 which is held by Olga Berry and operated by Robert Harris. The excavation at Area 7 reopened and expanded an area that was considered naturally reclaimed from past mining activity. The recent excavation has created high walls of approximately 20 to 30 feet and has distributed overburden over an area of approximately 1.8 acres. Natural drainage from the hills west of Area 7 has been blocked by the piled overburden. There is no record of the lessee requesting approval to mine in this area. See photographs # 9, 10 & 11.

Area 8: At the time of this inspection Mr. Shawn Harris, the son of Robert Harris was excavating in Lot 5 of section 31. Lot 5 of section 31 is part of the lands held under lease ML 41355 by Olga Berry. There is no record of the lessee requesting approval to mine in this area. Approximately .88 acres have been have been disturbed by this excavation. No photographs of the excavation at Area 8 were taken.

The following is a summary of the reclamation status and existing disturbances for each area discussed in this report. Information regarding reclaimed, released, regraded and not reclaimed land is taken from the November 22, 1995, Munson report and updated in the my surface examination report of May 10, 1996.

Area 1	Reclaimed and released Regraded Not reclaimed New disturbance	1.18 Acres 1.32 Seed proloss18 Soul Lowe. None
Area 2	Reclaimed and released Regraded Not reclaimed New disturbance	0.0 4.11 .36 Lequi Pond None
Area 3	Reclaimed and released Regraded Not reclaimed New disturbance	0.0 3.75 0.0 3.27 $13/4$ 1.75 .45 2.00 AC
Area 4	Reclaimed and releases Regraded Not reclaimed New disturbance	0.0 .59 .20 None
Area 5	Reclaimed and released Regraded Not reclaimed New disturbance	0.0 .18 0.0 None
Area 6	New disturbance	0.10 chak GPS Arra & IAcro 1/2 on olga /2 on Cares
Area 7	New disturbance	1.80
Area 8	New disturbance	0.88

The following is a summary of not reclaimed acreage as it pertains to each lessee and area of disturbance as found on the trust lands examined..

Lessee	Area #	Lease #	Acres Not Reclaimed
Olga Berry	# 1	ML 41355	.18
Olga Berry	# 2	ML 41355	.36
Olga Berry	# 3	ML 41355	3.72
Olga Berry	# 4	ML 19890	.20
Olga Berry	# 5	ML 19890	0.00

J/M Caruso	# 6	ML 26996	.10
Olga Berry	#7	ML 19890	1.80
Olga Berry	# 8	ML 41355	.88

The following is a summary of total not reclaimed acres per lease and lessee.

Lessee	Area #s	Lease #	Total Acres Not Reclaimed per lease
Olga Berry	1, 2, 3, & 8	ML 41355	5.14
Olga Berry	4 & 5	ML 19890	2.00
J/M Caruso	6	ML 26996	0.10

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Excavations that are conducted on adjacent public lands administer by the BLM were not examined and are not included in this report.

William M. Stokes

Minerals Resource Specialist

School and Institutional Trust Lands Administration



Photo # 1. Looking north from the south end of the open pit in Area 1. Note the degree of re-vegetation as compared to that of the May 10, 1996 report. Arrow # 1 shows the location of Area # 2 and arrow # 2 shows the location of Area # 3.



Photo # 2. Looking west from the east side of the unreclaimed pit in Area 2. Note the degree of re-vegetation as compared to that of the May 10, 1996 report. Arrow # 1 shows the locations of Areas 4 and 5. Arrow # 2 shows the location of disturbances created by Mr. Rex Harris on his unpatented mining claims located on BLM land. Arrow # 3 shows the location of new disturbances that are discussed under Area 7 of this report.



unreclaimed land in the Munson report of November 22, 1995. The far right of this photograph shows newly created disturbances when compared with a photograph taken from the same location that is included in the surface examination report of May 10, 1996. The dashed line, running north/south, represents the west boundary line of the Olga Berry lease ML 41355 and the east boundary line of the Caruso lease ML 36996. Arrow # 1 show the position from which photo # 4 of this report was taken and arrow # 2 shows the location from which photo # 5 was taken.



Photo # 4. Looking northwest onto recently excavated lands within Area # 3. The position from where this photo was taken is shown in photo # 3. The arrow shows the position from where photo # 5 was taken which looks back onto the position from where this photo was taken.



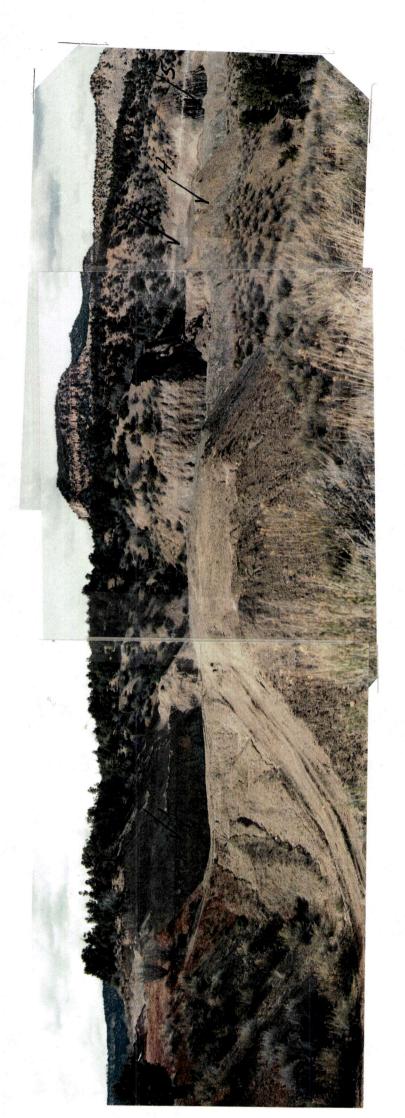
Photo # 5. Looking southeast onto the recent excavation in Area 3. The arrow shows the location from where photo # 4 was taken which looks onto the position from where this photo was taken.



Photo # 6. Looking northeast onto Area 4 which was excavated in the summer of 1997. The waste piles around the pit area were graded and seeded. The pit was left open to allow for easy access should the lessee wish to mine the area at some future date.



Photo # 7. Looking east from the hillside above Area 5. There appears to have been no mining activity in this are a since the area was graded and seeded in 1996. The dashed line identifies the approximate position of the boundary line between the BLM land in section 25, on the left and trust lands in section 36, on the right. Arrow # 1 shows the location of Area 4 and arrow # 2 shows the road that continues to mine Area 7 of this report.



overburden pile that extends from the foreground to the location indicated by arrow # 4. The overburden pile has blocked the natural dranage along its entire length and will pond water along the entire length of the excavation in Area 7. photo # 11. Arrow 2 is the position from where photo # 11 was taken. Arrow # 3 shows the location of Area 5. Arrow # 4 shows the Photo # 10. Looking northwest onto the disturbance in Area 7. This photo was taken from a small point which is just east of the old road, in the left foreground, that traversed the now disturbed area. Arrow # 1 shows the high wall that is also shown by the arrow in position of the overburden pile that is shown by the arrow in photo # 9 and arrow # 5 shows the location of Area 4. Note the large



Photo # 8. Looking southeast into the pit created by Joseph M. Caruso. Mr. Caruso was actively mining at the time of the inspection. The area of disturbance is approximately .10 acre.



Photo # 9. Looking south from Area 5 onto an old road that had been regraded to provide access to the new excavation at Area 7. The arrow shows the pile of overburden that is found at the north end the excavation at Area 7.



Photo # 11. Looking southwest onto the center of the excavation on Area 7. The high wall indicated by the arrow is the same high wall as shown by arrow # 1 in photo # 10.

